

DOGM
MINERALS PROGRAM
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February 13, 1989

TO: Minerals File

FROM: Holland Shepherd, Reclamation Soils Specialist HWS

RE: Iron Mountain Mine Amendments, Geneva Steel, M/021/008,
Iron County, Utah

A visit was made on February 13, 1989 to the Iron Mountain site by Scott Johnson and Holland Shepherd. We met with Roy Benson, of Geneva Steel, at the site. The visit was made to investigate a proposed mining area located a short distance from the Iron Mountain site itself. This site is located some two to three miles northwest of the Iron Mountain site and about 1/2 mile due west of the Excellsior/Chesapeak small mine site. The site is accessed by following the improved FAA road, from the Iron Mountain site, all the way to the top.

The site consists of a large outcropping of iron ore. The outcropping is located on some hill tops just beneath some radio towers. The new site will be called the Tip Top Mine or Tip Top Pit. The iron ore will be blasted and stripped from the area. Mine ore will be hauled down the mountain along the FAA road to the Iron Mountain mine site where it will be processed. The operator indicates that there are some 325,000 tons of ore that can be mined at this particular site. The ore body that will be mined is located on three claims; the claims are called (1) The Highest, (2) Learch, and (3) The Tip Top. These claims are all on patented ground.

The operator intends to mine out this area in 6-7 months and then reclaim it. The reclamation will consist of regrading, top soiling and then revegetating. The operator intends to leave the FAA road unreclaimed, as it will provide future access to the area. The operator intends to start mining this area in early June. The existing radio towers, at the top of the mountain, will be removed. The radio stations that own the towers, previously signed a contract with Geneva that committed them to removing the radio towers if the land was to be mined later on. The radio towers will be removed at the radio station's expense.

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We spoke to Roy about adding the Tip Top mine site and the Excellsior/Chesapeake mine site to the existing Iron Mountain permit. The Excellsior/Chesapeake had been permitted previously this fall under a small operators NOI. Roy seemed to have no problem with this plan; in fact, he was very supportive of the idea. Apparently, he felt as we did that the \$78,200 bond would be more than sufficient to cover the addition of these two sites. These two sites would be added to the existing Iron Mountain permit as amendments. The Excellsior/Chesapeake consists of about 5 acres of disturbance, and the Tip Top will consist of about 4 acres of disturbance. I indicated to Roy that these amendments would probably be considered insignificant amendments to the Mining and Reclamation Plan vs. significant amendments which would require a more elaborate review process.

Because the Division recently signed off on 80 acres of Geneva disturbance at the Lion Pit, there should be enough money left over in the bond to cover any additional acreage to be amended or to be added to the Iron Mountain site. The Division released the 80 acres last fall and the operator did not request a reduction of the \$78,200 bond. In effect, the operator has some credit on their bond that can be used for such amendments as the Tip Top and the Excellsior/Chesapeake.

Mr. Benson indicated that the amount of disturbance associated with the ore body to be mined at the Tip Top site, is approximately 1600 feet in length and 40 feet in width. The area of disturbance for mining out this particular ore body is approximately 3.9 acres.

We spoke to Roy about doing some concurrent reclamation if these two sites are to be added to the Iron Mountain Mining and Reclamation Plan. We thought that the Excellsior/Chesapeake could be reclaimed this summer after they are through mining and the Tip Top site could be reclaimed the following summer after mining is completed at that site. Mr. Benson agreed with the idea and also agreed that this could be written into a revision request for the Tip Top and for the Excellsior/Chesapeake sites.

jb
cc: Minerals Team
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